

REMARKS:

Claims 3-4, 7-8 and 11-12 are pending in the present Application. By the present Amendment, claims 1-2, 5-6, 9-10, and 13-16 are canceled; and claims 3-4, 7-8 and 11-12 are amended. The Applicant respectfully requests reconsideration of the Application in light of these amendments and the following remarks.

I. THE CLAIMS DEFINE PATENTABLE SUBJECT MATTER

A. Rejections under 35 U.S.C. § 102(e) over the Freeman et al. Patent No. 6,249,757

In the present Office Action, claims 3-4, 7-8, and 11-12 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,249,775 to Freeman et al ("Freeman"). Applicant respectfully traverses these rejections and assert that the claims are in condition for allowance.

Claims 3 and 4, as amended recite "determining a financial asset services value as a percentage of the principal and interest associated with the financial account." Freeman describes an analytical tool for predicting the performance of a loan based upon certain characteristics. However, the Freeman financial service provider is compensated solely as a function of the interest on the loan. Therefore, if the loan is pre-paid there is very little, if any, value associated with the servicer's agreement to service the loan. On the contrary, the present invention teaches that the service provider is compensated as a function of both the principal and interest due on the loan.

Accordingly, Applicant respectfully requests that the 35 U.S.C. § 103(a) rejection of claims 3 and 4 be withdrawn. Since Claims 7 and 11, and 8 and 11, respectively, depend from Claims 3 and 4, they are similarly allowable over the art of record.

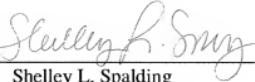
CONCLUSION:

Applicant respectfully submit that all pending claims are in condition for allowance. Should the Examiner determine that any further action is necessary to place the claims in condition for allowance, the Examiner is kindly requested (and encouraged) to telephone the Applicant's undersigned representative at the number listed below.

Respectfully submitted,

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